

SPEAKER NICHOL: Senator Landis.

SENATOR LANDIS: Mr. Speaker, members of the Legislature, I just simply want to make a few points. Having served on the committee that heard this bill and listened to the testimony that I heard, I can tell you that I rejected it at that time, a bill that did away with this sales tax collection fee altogether. I am a reasonable man. I am open to reasonable persuasion. I thought there was evidence from small retailers to justify that figure. I saw that by people coming forward and giving clear and convincing testimony of small retailers and the costs that they incurred, I was persuaded by that and voted to oppose that other bill, LB 546. It was killed in committee. So to Senator Barrett who is concerned about the future of this notion, I simply address the fact that I do not have some agenda nor do I believe the Revenue Committee does as well that seeks to subvert the sales tax collection fee beyond what you have here which is simply an attempt to maintain a form of tax equity. Let me remind the body that the original policy suggestions given to the Legislature indicated that there should be no sales tax collection fee but if there was it should be graduated because in so doing you recognize the economies of scale. Let me also point out to the body that what really occurs in the sales tax collection fee area is a diversion of tax dollars that private individuals spend, give to businesses and which are never forwarded to the state. This actually amounts to a \$5 million appropriations to business, an appropriation which if it was to go through our process I don't think would be proven. Let me ask you if you have found the studies that have been reviewed, the figures that have been offered to this body to show the need for that money, if you find that to be compelling evidence. I certainly do not. I have seen it to be self-serving. I have seen it to be methodologically incorrect and grasping at straws. I have not seen the evidence of need for this money which I so clearly saw from small retailers when faced with the doing away with the sales tax collection fee. There a strong case was made. People came and opened their books, justified dollar for dollar the figures and it made perfect sense. You can't do it at this level because you are talking about a lot more money, money that is susceptible to be invested, money from which there can be actual profit and in so doing we are then diverting state tax dollars on which a profit can be made by retailers who invest this money. I support LB 571. I hope the body will as well.

SPEAKER NICHOL: Senator Newell.